

EXPRESSING THE SENSE OF THE HOUSE OF REPRESENTATIVES THAT ALL STAKEHOLDERS IN THE DEPLOYMENT OF 5G COMMUNICATIONS INFRASTRUCTURE SHOULD CAREFULLY CONSIDER AND ADHERE TO THE RECOMMENDATIONS OF “THE PRAGUE PROPOSALS”

JANUARY 7, 2020.—Referred to the House Calendar and ordered to be printed

Mr. PALLONE, from the Committee on Energy and Commerce,
submitted the following

R E P O R T

[To accompany H. Res. 575]

The Committee on Energy and Commerce, to whom was referred the resolution (H. Res. 575) expressing the sense of the House of Representatives that all stakeholders in the deployment of 5G communications infrastructure should carefully consider and adhere to the recommendations of "The Prague Proposals", having considered the same, report favorably thereon with amendments and recommend that the resolution as amended be agreed to.

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The amendments are as follows:

Strike out all after the resolving clause and insert the following:

SECTION 1. SENSE OF THE HOUSE OF REPRESENTATIVES.

The House of Representatives—

(1) urges all stakeholders in the deployment of 5G communications infrastructure to carefully consider adherence to the recommendations of “The Prague Proposals” (as described in section 2) as they procure products and services across their supply chain; and

(2) encourages the President and Federal agencies to promote global trade and security policies that are consistent with “The Prague Proposals” and urge our allies to embrace the recommendations of “The Prague Proposals” for their 5G infrastructure.

SEC. 2. PRAGUE PROPOSALS.

The text of “The Prague Proposals” is as follows:

(1) **“POLICY”.**—

(A) “Communication networks and services should be designed with resilience and security in mind. They should be built and maintained using international, open, consensus-based standards and risk-informed cybersecurity best practices. Clear globally interoperable cyber security guidance that would support cyber security products and services in increasing resilience of all stakeholders should be promoted.”.

(B) “Every country is free, in accordance with international law, to set its own national security and law enforcement requirements, which should respect privacy and adhere to laws protecting information from improper collection and misuse.”.

(C) “Laws and policies governing networks and connectivity services should be guided by the principles of transparency and equitability, taking into account the global economy and interoperable rules, with sufficient oversight and respect for the rule of law.”.

(D) “The overall risk of influence on a supplier by a third country should be taken into account, notably in relation to its model of governance, the absence of cooperation agreements on security, or similar arrangements, such as adequacy decisions, as regards data protection, or whether this country is a party to multilateral, international or bilateral agreements on cybersecurity, the fight against cybercrime, or data protection.”.

(2) **“TECHNOLOGY”.**—

(A) “Stakeholders should regularly conduct vulnerability assessments and risk mitigation within all components and network systems, prior to product release and during system operation, and promote a culture of find/fix/patch to mitigate identified vulnerabilities and rapidly deploy fixes or patches.”.

(B) “Risk assessments of supplier’s products should take into account all relevant factors, including applicable legal environment and other aspects of supplier’s ecosystem, as these factors may be relevant to stakeholders’ efforts to maintain the highest possible level of cyber security.”.

(C) “When building up resilience and security, it should be taken into consideration that malicious cyber activities do not always require the exploitation of a technical vulnerability, e.g. in the event of insider attack.”.

(D) “In order to increase the benefits of global communication, States should adopt policies to enable efficient and secure network data flows.”.

(E) “Stakeholders should take into consideration technological changes accompanying 5G networks roll out, e.g. use of edge computing and software defined network/network function virtualization, and its impact on overall security of communication channels.”.

(F) “Customer—whether the government, operator, or manufacturer—must be able to be informed about the origin and pedigree of components and software that affect the security level of the product or service, according to state of art and relevant commercial and technical practices, including transparency of maintenance, updates, and remediation of the products and services.”.

(3) **“ECONOMY”.**—

(A) “A diverse and vibrant communications equipment market and supply chain are essential for security and economic resilience.”.

(B) “Robust investment in research and development benefits the global economy and technological advancement and is a way to potentially increase diversity of technological solutions with positive effects on security of communication networks.”.

(C) “Communication networks and network services should be financed openly and transparently using standard best practices in procurement, investment, and contracting.”.

(D) “State-sponsored incentives, subsidies, or financing of 5G communication networks and service providers should respect principles of fairness, be

commercially reasonable, conducted openly and transparently, based on open market competitive principles, while taking into account trade obligations.”.

(E) “Effective oversight on key financial and investment instruments influencing telecommunication network development is critical.”.

(F) “Communication networks and network service providers should have transparent ownership, partnerships, and corporate governance structures.”.

(4) “SECURITY, PRIVACY, AND RESILIENCE”—

(A) “All stakeholders including industry should work together to promote security and resilience of national critical infrastructure networks, systems, and connected devices.”.

(B) “Sharing experience and best practices, including assistance, as appropriate, with mitigation, investigation, response, and recovery from network attacks, compromises, or disruptions should be promoted.”.

(C) “Security and risk assessments of vendors and network technologies should take into account rule of law, security environment, vendor malfeasance, and compliance with open, interoperable, secure standards, and industry best practices to promote a vibrant and robust cyber security supply of products and services to deal with the rising challenges.”.

(D) “Risk management framework in a manner that respects data protection principles to ensure privacy of citizens using network equipment and services should be implemented.”.

Amend the preamble to read as follows:

Whereas 5G, the next generation (5th generation) in wireless technology, promises the next evolution of communications and information technology services, applications, and capabilities across every sector of business, government, entertainment, and communications;

Whereas the United States, Europe, China, and others are racing toward 5G adoption and upgrading existing networks, which will drive subsequent advances in artificial intelligence, machine learning, smart homes, smart cities, robotics, autonomous vehicles, and quantum computers;

Whereas 5G will make possible the automatization of everyday activities and the use of the full potential of the Internet of Things;

Whereas these developments, while evolutionary, could include risks to important public interests, including privacy, data security, public safety, and national security;

Whereas in a highly connected world, disruption of the integrity, confidentiality, or availability of communications or even the disruption of the communications service itself can seriously hamper everyday life, societal functions, the economy, and national security;

Whereas the security of 5G networks is crucial for national security, economic security, and other United States national interests and global stability;

Whereas operators of communications infrastructure depend on a complex supply chain of technology from a global market of suppliers and service providers;

Whereas government security officials and experts from 32 countries came together in Prague in May of 2019 to work out guidelines for the deployment and security of 5G networks;

Whereas representatives agreed that “[m]ajor security risks emanate from the cross-border complexities of an increasingly global supply chain which provides [information and communications technology] equipment. These risks should be considered as part of the risk assessment based on relevant information and should seek to prevent proliferation of compromised devices and the use of malicious code and functions.”; and

Whereas the Prague 5G Security Conference adopted security recommendations, which have come to be known as “The Prague Proposals”: Now, therefore, be it

Amend the title so as to read:

Resolution expressing the sense of the House of Representatives that all stakeholders in the deployment of 5G communications infrastructure should carefully consider adherence to the recommendations of “The Prague Proposals”.

I. PURPOSE AND SUMMARY

H. Res. 575, a Resolution expressing the sense of the House of Representatives that all stakeholders in the deployment of 5G communications infrastructure should carefully consider and adhere to the recommendations of ‘The Prague Proposals’, was introduced on September 24, 2019, by Rep. Flores (R-TX), and Rep. Soto (D-FL), and referred to the Committee on Energy and Commerce and in addition to the Committee on Foreign Affairs. H. Res. 575 expresses the sense of the House of Representatives that all stakeholders in the deployment of 5G communications infrastructure should adhere to the Prague Proposals, that resulted from the Prague 5G Security Conference, in procuring products and services. It also encourages the President and Federal agencies to encourage allies of the United States to embrace the recommendations of the proposals for their 5G infrastructure.

II. BACKGROUND AND NEED FOR LEGISLATION

5G technology promises evolution across every sector of the American economy. It promises new technology and network applications that touch every aspect of daily lives. While this advancement is beneficial in many ways, it significantly increases risk to national security. As a result, it is essential that companies deploying these networks ensure that their infrastructure is secure and consists of trusted network components.

In May 2019, representatives from 32 countries met in Prague to discuss concerns about equipment supplied by certain vendors that pose a threat to national security. The conclusions from the conference became known as “The Prague Proposals,” which are recommendations for stakeholders to consider when deploying their networks. H. Res. 575 further urges stakeholders to adhere to these recommendations and encourages the President and other Federal agencies to promote policies consistent with these recommendations.

III. COMMITTEE HEARINGS

For the purposes of section 103(i) of H. Res. 6 of the 116th Congress, the following hearing was used to develop or consider H. Res. 575:

The Subcommittee on Communications and Technology held a legislative hearing on September 27, 2019, entitled “Legislating to Secure America’s Wireless Future.” The Subcommittee received testimony from the following witnesses:

- John Nettles, President, Pine Belt Wireless;
- Harold Feld, Senior Vice President, Public Knowledge;
- Dean Brenner, Senior Vice President, Spectrum Strategy & Tech Policy, Qualcomm Incorporated; and
- Bobbie Stempfley, Managing Director, CERT Division Software Engineering Institute, Carnegie Mellon University.

IV. COMMITTEE CONSIDERATION

H. Res. 575, a resolution expressing the sense of the House of Representatives that all stakeholders in the deployment of 5G communications infrastructure should carefully consider and adhere to the recommendations of ‘The Prague Proposals’, was introduced on

September 24, 2019, by Rep. Flores (R-TX), and Rep. Soto (D-FL), and referred to the Committee on Energy and Commerce and the Committee on Foreign Affairs. The resolution was referred to the Subcommittee on Communications and Technology on September 25, 2019. Following a legislative hearing, the Subcommittee met in open markup session on H. Res. 575 on November 14, 2019, pursuant to notice, for consideration of the resolution. During consideration, an amendment making technical changes to the resolution was offered by Mr. Flores and was agreed to by a voice vote. Subsequently, the Subcommittee on Communications and Technology agreed to a motion by Mr. Doyle, Chairman of the subcommittee, to forward favorably H. Res. 575 to the full Committee on Energy and Commerce, amended, by a voice vote.

The full Committee met in open markup session, pursuant to notice, on November 20, 2019, to consider H. Res. 575, as amended by the subcommittee. No amendments were offered in full Committee. The Committee on Energy and Commerce thereupon agreed to a motion by Mr. Pallone, Chairman of the committee, to order H. Res. 575 reported favorably to the House, as amended, by a voice vote.

V. COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list each record vote on the motion to report legislation and amendments thereto. The Committee advises that there were no record votes taken on H. Res. 575.

VI. OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the oversight findings and recommendations of the Committee are reflected in the descriptive portion of the report.

VII. NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

Pursuant to 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

The Committee has requested but not received from the Director of the Congressional Budget Office a statement as to whether this resolution contains any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures.

VIII. FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

IX. STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause 3(c)(4) of rule XIII, the general performance goal or objective of this legislation is to encourage participation in global wireless standards bodies by trusted companies and relevant stakeholders.

X. DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII, no provision of H. Res. 575 is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

XI. COMMITTEE COST ESTIMATE

Pursuant to clause 3(d)(1) of rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

XII. EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

Pursuant to clause 9(e), 9(f), and 9(g) of rule XXI, the Committee finds that H. Res. 575 contains no earmarks, limited tax benefits, or limited tariff benefits.

XIII. ADVISORY COMMITTEE STATEMENT

The legislation does not create any new Federal advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act.

XIV. APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

XV. SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Sense of the House of Representatives

Section 1 urges all stakeholders involved in the deployment of 5G communications infrastructure to carefully consider adherence to the recommendations of “The Prague Proposals” as they procure products and services across their supply chain. It also requires the President and Federal agencies to promote global trade and security policies that are consistent with “The Prague Proposals” and urge allies of the United States to embrace the recommendations of “The Prague Proposals” for their 5G infrastructure.

Sec. 2. Prague proposals

This section sets forth the text of “The Prague Proposals” as developed at the conference in May 2019. The proposals provide recommendations for building and maintaining communications networks and services.

The policy recommendations include: designing networks with cybersecurity, transparency, and equitability in mind; respecting privacy and adhere to laws protecting information from improper collection and misuse; and considering the overall risk of influence on a supplier by a third country.

The technology recommendations provide guidance to stakeholders on how best to protect their networks through certain actions, such as regularly conducting risk and vulnerability assessments, adopting secure data flows, and ensuring that the customer is informed of the security level of products or services.

Finally, the proposals encourage stakeholders to consider the impact of secure networks on a nation's economy and encourages stakeholders to work together and share experiences to promote the security, privacy, and resiliency of networks.

XVI. EXCHANGE OF LETTERS

ELIOT L. ENGEL, NEW YORK
CHARMAN

JASON STEINBAUM
STAFF DIRECTOR

MICHAEL T. MCCUAU, TEXAS
RANKING REPUBLICAN MEMBER

BRENDAN P. SHIELDS
REPUBLICAN STAFF DIRECTOR



One Hundred Sixteenth Congress
U.S. House of Representatives
Committee on Foreign Affairs
2170 Rayburn House Office Building
Washington, DC 20515
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December 5, 2019

The Honorable Frank Pallone, Jr.
Chairman, Committee on Energy and Commerce
U.S. House of Representatives
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Pallone:

In recognition of the desire to expedite consideration of H.Res.575, Expressing the sense of the House of Representatives that all stakeholders in the deployment of 5G communications infrastructure should carefully consider and adhere to the recommendations of "The Prague Proposals," the Committee on Foreign Affairs agrees to waive formal consideration of the bill as to provisions that fall within the Rule X jurisdiction of the Committee on Foreign Affairs.

The Committee on Foreign Affairs takes this action with the mutual understanding that we do not waive any jurisdiction over the subject matter contained in this or similar legislation, and the Committee will be appropriately consulted and involved as the bill or similar legislation moves forward so that we may address any issues within our jurisdiction. I ask you to support the appointment of Committee on Foreign Affairs conferees during any House-Senate conference convened on this legislation.

Finally, thank you for agreeing to include of a copy of our exchange of letters in the *Congressional Record* during floor consideration of H.Res.575.

Sincerely,

Eliot L. Engel

ELIOT L. ENGEL
Chairman

Cc: Ranking Member Michael McCaul, Committee on Foreign Affairs
Ranking Member Greg Walden, Committee on Energy & Commerce
Tom J. Wickham Jr., Parliamentarian

FRANK PALLONE, JR., NEW JERSEY
CHAIRMAN

GREG WALDEN, OREGON
RANKING MEMBER

ONE HUNDRED SIXTEENTH CONGRESS
Congress of the United States

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Majority (202) 225-2927
Minority (202) 225-3641

January 6, 2020

The Honorable Eliot Engel
Chairman
Committee on Foreign Affairs
2170 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Engel:

Thank you for consulting with the Committee on Energy and Commerce and agreeing to be discharged from further consideration of H.Res. 575, Expressing the sense of the House of Representatives that all stakeholders in the deployment of 5G communications infrastructure should carefully consider and adhere to the recommendations of "The Prague Proposals," so that the bill may proceed expeditiously to the House floor.

I agree that your forgoing further action on this measure does not in any way diminish or alter the jurisdiction of your committee or prejudice its jurisdictional prerogatives on this measure or similar legislation in the future. I agree that your Committee will be appropriately consulted and involved as this bill or similar legislation moves forward so that we may address any remaining issues within your jurisdiction. I would support your effort to seek appointment of an appropriate number of conferees from your Committee to any House-Senate conference on this legislation.

I will place our letters on H.Res. 575 into the Congressional Record during floor consideration of the bill. I appreciate your cooperation regarding this legislation and look forward to continuing to work together as this measure moves through the legislative process.

Sincerely,

Frank Pallone, Jr.
Chairman

The Honorable Eliot Engel
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cc: The Honorable Nancy Pelosi, Speaker
The Honorable Steny Hoyer, Majority Leader
The Honorable Greg Walden, Ranking Member, Committee on Energy and Commerce
The Honorable Michael McCaul, Ranking Member, Committee on Foreign Affairs
The Honorable Thomas J. Wickham, Parliamentarian

XVII. CHANGES IN EXISTING LAW MADE BY THE RESOLUTION, AS
REPORTED

This resolution makes no changes to existing law, as reported by
the Committee on Energy and Commerce.

